

**STAFF REPORT:      ENGINEERING AND PUBLIC WORKS DEPARTMENT**



**REPORT TO:** Council  
**MEETING DATE:** July 23, 2007  
**REPORT NO.:** EPW.07.82  
**SUBJECT:** Mountain Drive Reconstruction Phase 2 –  
Project Budget Increase and Street Light  
Pre- Purchase  
**PREPARED BY:** Reg Russwurm, Director, Engineering and  
Public Works

**A. Recommendations**

THAT Council approve increasing the total project budget Mountain Drive Reconstruction Phase 2 by \$805,000.00 to \$2,325,000.00 as detailed in Report EPW.07.82,

THAT Council approve the Director of Engineering and Public to purchase 32 street light poles and luminaries sets at a cost of \$2,910.60 each for a total of \$93,139.20 including PST for use on Mountain Drive Reconstruction Phase 2, and

THAT Council supports the exception to the Town Purchasing Policy with respect to the pre-purchase of the street light poles and luminaries.

**B. Background**

The Town is undertaking the final design of Mountain Drive Reconstruction Phase 2 from Carmichael Crescent to Scenic Caves Road. Construction is expected to commence in early September for completion in November.

Project Budget

An estimate of the capital cost was undertaken in preparation of the 2007 Capital Budget. Since that estimate was prepared, the cost of construction has generally increased more than anticipated and the project scope has been modified slightly.

The table presented below provides a summary of the 2007 Capital Budget, the Proposed Project Budget and the Proposed Project Budget Increase given the Engineer's estimate based on the Town's experience on recent tenders. The overall project budget increase is \$805,000 to a total of \$2,325,000. The increase to the Town budget is \$606,750 and the cost increase to Intrawest is expected to be approximately \$198,250.

	Total	Town Share	Intrawest Share
<b>2007 Capital Budget</b>			
Roads and Drainage	\$1,170,000	\$819,000	\$351,000
Street Lighting	\$200,000	\$200,000	\$0
Water	\$150,000	\$150,000	\$0
Sanitary	\$0	\$0	\$0
<b>Total</b>	<b>\$1,520,000</b>	<b>\$1,169,000</b>	<b>\$351,000</b>
<b>Proposed Project Budget</b>			
Roads and Drainage	\$1,560,000	\$1,092,000	\$468,000
Street Lighting	\$325,000	\$243,750	\$81,250
Water	\$375,000	\$375,000	\$0
Sanitary	\$65,000	\$65,000	\$0
<b>Total</b>	<b>\$2,325,000</b>	<b>\$1,710,750</b>	<b>\$549,250</b>
<b>Proposed Project Budget Increase</b>			
Roads and Drainage	\$390,000	\$273,000	\$117,000
Street Lighting	\$125,000	\$43,750	\$81,250
Water	\$225,000	\$225,000	\$0
Sanitary	\$65,000	\$65,000	\$0
<b>Total</b>	<b>\$805,000</b>	<b>\$606,750</b>	<b>\$198,250</b>

The increase in Roads and Drainage Budget can be attributed to construction cost escalation.

The increase in Water Budget is due to construction cost escalation and to the replacement of more watermain than first anticipated. The watermain connecting to Carmichael Crescent and Plater Street within the reconstruction of Mountain Drive will be replaced as well as the watermain will be extended to the limits of the project to facilitate the future looping to the existing watermain on County Rd 19. The purpose of the looping is to re-enforce the available fire suppression and to address water quality concerns. The new watermain will extend 80m farther than what would have otherwise been replaced. The closing of the future loop to CR 19 will be completed when the intersection of CR 19 / Mountain Drive / Scenic Caves is reconstruction in anticipation of the future Orchard Hill Lodge. The cost of the future watermain will be funded as part of the servicing of the future lodge. In addition, Staff is in discussion with Intrawest whether or not the watermain will be increased in size at their cost to increase the available fire flow along Mountain Drive to the South Lodge and Trillium House. This possible additional cost is not included in the budget figures presented above.

The previous unidentified costs for sanitary sewer is related to replacing the sub-municipal standard sewers within Mountain Drive right-of-way connecting to Carmichael Crescent and Plater Street. The costs will therefore be avoided during the reconstruction of these streets expected to occur over the next two years.

During the development of the 2007 Capital Budget, it was not itemised that Intrawest is responsible for 30% of the street lights adjacent to the walkway side of the road and therefore no cost was allocated to Intrawest for lighting in the 2007 Capital Budget. The cost increase over the current budget can be contributed to construction increases.

Staff recommends that the various Town budgets be increased as outlined above and detailed in Section D Budget Impact.

### Street Lighting Pre-Purchase

The architectural street lights that the Town has selected for use on the streets around Blue Mountain Village have a lead time of approximately 12 weeks. In order to ensure that the street lights can be installed before the end of November 2008, the Town needs to pre-purchase the poles and lights by mid August. Since Council is not scheduled to meet until August 27, Staff recommend that the Director of Engineering and Public Works be granted authority to purchase the street lights for the above project.

In cooperation with Intrawest and Blue Mountain Resort, the Town selected a specific manufacturer and model of street lights to compliment the current lighting scheme in the Village and these lights were installed along Jozo Weider Blvd in 2007.

Section 16 of the Purchasing Bylaw entitled "Purchase by Negotiations" permits the Department Head, in cooperation with the CAO, to negotiate with a supplier for goods and the requirement for inviting Tenders or Quotations is waived. The sub-clauses of Section 16 which apply in this instance are 16 b) because there is only one supplier of the style of lighting wished for this location. Therefore, Staff recommend that the requirement for inviting tenders be waived.

The cost of the lights will be shared with Intrawest / BMR in the same manner as that used on Jozo Weider Blvd. That is, lights along the walkway will be shared 70% Town and 30% Intrawest/BMR while additional intersection lighting is 100% Town. Of the 32 lights, 6 are for intersection lighting.

The quoted cost for the lights are \$2,910.60 for 32 street light poles, luminaries, mounting arms and lamps (FOB site). The total cost will be \$93,139.20

## **C. The Blue Mountains' Strategic Plan**

This report satisfies the Town's Strategic Goal #2, "Addressing the Town's municipal infrastructure needs".

## **D. Budget Impact**

The 2007 Capital Plan includes budget values for the various components of the overall project as outlined in the above table.

Roads and Drainage:

- 2007 Capital Budget - \$1,170,000
- Proposed Project Budget - \$1,560,000
- \$390,000 increase consisting of
  - \$273,000 Town share from Development Charges
  - \$117,000 Intrawest share

Street Lighting:

- 2007 Capital Budget - \$200,000
- Proposed Project Budget - \$325,000
- \$125,000 increase consisting of
  - \$43,750 Town share from Tax Base *(Darcy: We need to check why lights are not DC. Doesn't seem right that from Property Tax. Same for Jozo Weider last year?)*
  - \$81,250 Intrawest share

Water

- 2007 Capital Budget - \$150,000
- Proposed Project Budget - \$375,000
- \$225,000 increase consisting of
  - \$225,000 Town share from Craigleith Water Reserve

Sanitary

- 2007 Capital Budget - \$0
- Proposed Project Budget - \$65,000
- \$65,000 increase consisting of
  - \$65,000 Town share from Craigleith Sewer Reserve

**E. Attached**

none

Respectfully submitted,

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Reg Russwurm  
Director, Engineering and Public Works